

CHALOS, O'CONNOR & DUFFY

ATTORNEYS AT LAW

366 MAIN STREET
PORT WASHINGTON, NEW YORK 11050-3120TELEPHONE (516) 767-3600
TELECOPIER (516) 767-3605 & 3925
WEBSITE: WWW.CODUS-LAW.COMMichael G. Chalos
Eugene J. O'Connor
George M. Chalos
Owen F. Duffy
Charles S. Cumming
Leroy S. Corra
Timothy Semenoro*
Brian T. McCarthy
George E. Murray
Michael P. Siravo

*Admitted in NY & NJ

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 10/1/07Timothy Semenoro
Associate
tsemenoro@codus-law.com

September 27, 2007

BY FAX

Fax - 212 805 7920

Hon. Shira A. Scheindlin
United States District Judge
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street, Room 1620
New York, New York 10007*Request granted.
A conference is
scheduled for
December 3 at 4:30*Re: STX PAN OCEAN CO., LTD. v. SOURCE LINK SHIPPING CO., LTD.
Southern District of New York - 07 CV 3632 (SAS)
Rule B Attachment of assets and property
Our File: 500362.9*So Ordered:
[Signature] 9/28/07*

Dear Judge Scheindlin:

We write as attorneys for the Plaintiff STX Pan Ocean to provide the status of the above referenced maritime Rule B action. At the court conference we attended on August 27, 2007, Mr. Reily provided us with a control date of October 1, 2007 for when we would provide the Court with an update of our progress to date. This letter is meant to satisfy our current obligation and to propose a new control date for a further update.

As this Honorable Court will recall, we had reported that Defendant Source Link Shipping's assets in the amount of US \$526,152.24 had been attached. We have sent multiple letters and E-mails to Defendant Source Link Shipping notifying it of this attachment and any pending Court conferences, but have not received a response. As per Rule B and the local rules, we have also served a summons, the complaint, and the Order and Process of Maritime Attachment by overseas courier, and these documents have been received and signed for by Source Link.

Subsequently, we learned that several other parties had also initiated Rule B maritime actions against Source Link. For your ready reference, we list these other actions as follows:

1. China National Chartering Corp. v. Source Link - 07 cv 2736 (DAB)
2. Deilemar Shipping Spa v. Source Link - 07 cv 2983 (SAS)
3. Pan Oceanic Maritime Inc. v. Source Link - 07 cv 3089 (CM)

CHALOS, O'CONNOR & DUFFY LLP

4. Perseveranza Di Navigazione Spa v. Source Link – 07 cv 3091 (RPP)
5. Eurotrade Inc. v. Source Link – 07 cv 3172 (SAS)
6. International Alliance, Ltd. v. Source Link – 07 cv 3172 (PKL)

Moreover, these other parties simultaneously attached the very same funds at the Bank of New York. In an effort to avoid a drawn out legal battle over which party has priority over the limited funds attached, legal counsel for these parties have met to discuss the status of our respective actions, a method for dividing the attached funds once judgments are obtained, and the investigation of the current standing of the common defendant Source Link. While certain issues remain to be fully explored, we are aware that Source Link is in serious financial trouble and at least one of the other parties has recently obtained a default judgment against Source Link.

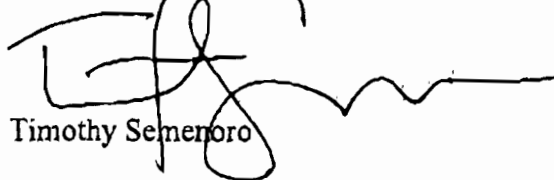
As to STX Pan Ocean, a legal action was initiated in early August 2007 before the High Court in London and in accordance with the terms of the subject maritime contract. We understand that Source Link had a limited time in which to appear and/or otherwise answer. We have inquired with STX Pan Ocean as to the status of this underlying action, and now await a report from STX Pan Ocean's London solicitors as to whether or not Source Link answered or appeared. In the event that they do not, we assume STX Pan Ocean will move to default Source Link. With such a default judgment in hand, we will then be in a position to proceed before this Honorable Court against the money that is attached in New York.

For the forgoing reasons, we respectfully request that the next control date be set sixty days (60) days out – December 3, 2007. By then, we expect to know of the status of the underlying action in London and the direction that the other parties will take against Source Link and the current attachment in New York.

Of course, if there are any questions, then please do not hesitate to contact us. Otherwise, we thank this Court in advance for its understanding and assistance and look forward to its reply.

Respectfully submitted,

CHALOS, O'CONNOR & DUFFY



Timothy Semeroro